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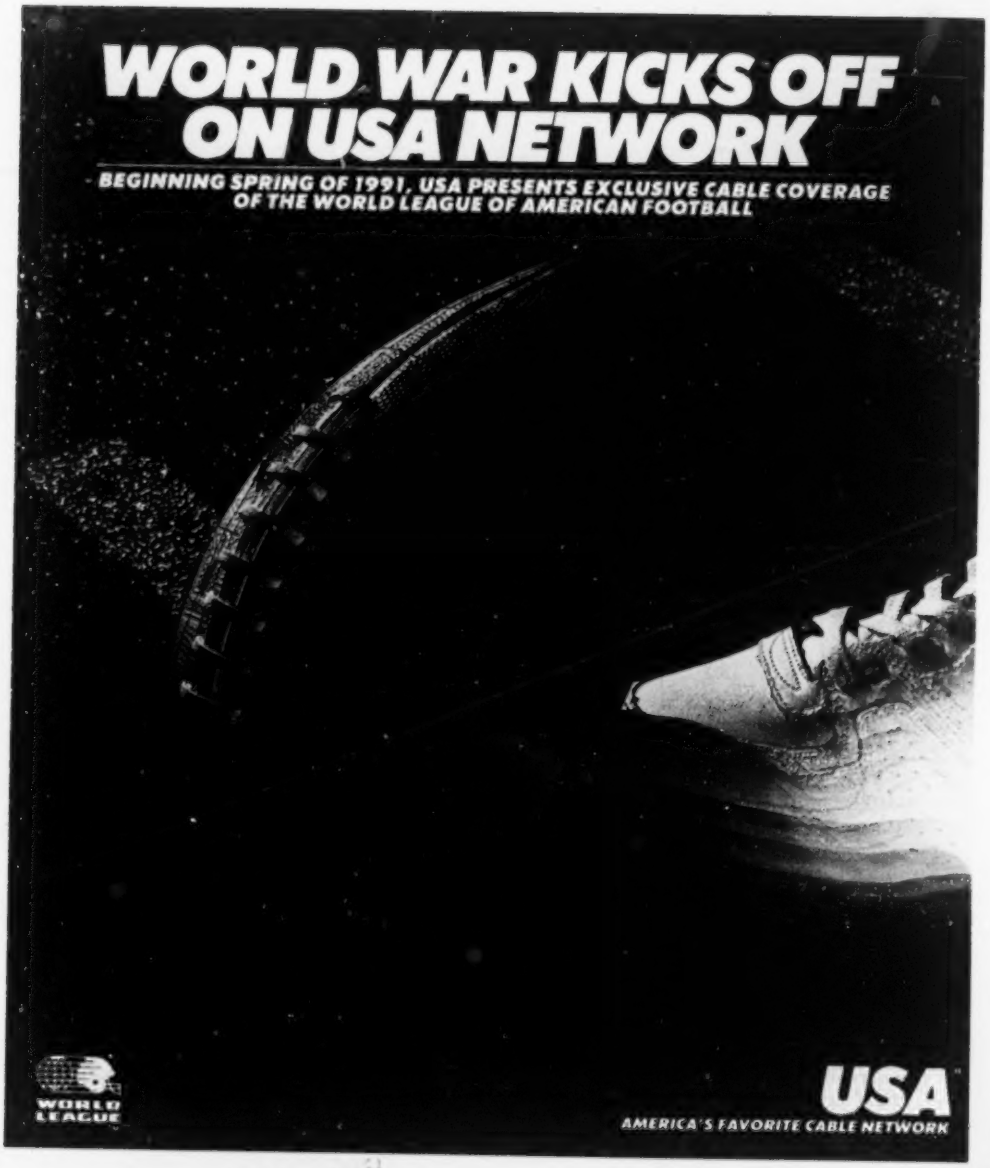
The Fifth Estate

RADIO TELEVISION CABLE SATELLITE

Broadcasting May 14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59th Year 1990
Shaping up the fall season

Broadcasting May 14

Vol. 118 No. 20

27/ Fall network schedules due for change

Broadcast networks plan major retoolings as they head into 1990-91 TV season.

Among those shows whose futures are less than secure (clockwise from top left): 'The Tracey Ullman Show' on Fox; 'ALF' on NBC; 'Anything But Love' on ABC, and 'Sydney' on CBS

28/ Summertime schedule

Broadcast networks' summer TV season will contain unprecedented mix of new programs, new episodes of returning shows, specials and reruns.

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Commission moves to speed up awarding of broadcast licenses and stem abuse of process by "sham" applicants.

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NBC News is planning to expand its affiliate news service, A-News, probably to 24 hours per day.

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Fox Broadcasting Co. is moving ahead on plans for national news operation.

55/ GROSSMAN PERSPECTIVE ON NEWS

Former NBC News President Lawrence Grossman offers vision of TV news as fading and failing enterprise whose "preeminent journalists have become legends of the past."

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First quarter ratings for pay cable services and subscriber counts for MSO's show little change.

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American Women in Radio and Television's outgoing president, Patricia Niekamp, says she has accomplished her goals of increasing organization's visibility and membership and improving its member services.

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Richard Dunn, managing director of Thames Television, says company wants to be "a world broadcaster," supplying "high quality television product to the world."

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BY THE NUMBERS 1

CBS was just one-tenth of a rating point shy of tying NBC in the prime time ratings for the week ending May 6. CBS had strong first-place finishes on both Monday night (April 30), where its comedy lineup had a five-point margin of victory, and Sunday night (May 6), where the first network telecast of "The Untouchables" helped it win by four-and-a-half rating points. CBS finished second on two nights, Thursday and Friday.

For the week, NBC was first, however, with an average 12.1/21, followed by CBS with 12/21 and ABC with 11.3/20. NBC won Wednesday, Thursday and Friday.

While ABC was third in households, it continues to challenge NBC in ratings within the 18-49 demographics, which are more important than households for most network advertisers. For the week, ABC was first in prime time among women 18-49, while NBC was second and CBS third. NBC was first among men 18-49, ABC was second and CBS third.

ABC's *Roseanne* and a CBS special, *I Love*

RATINGS ROUNDUP

Week of Apr. 30-May 6

Rank		Rtg	Network	Show
1		21.2/37	C	*I Love Lucy: Very 1st Show*
2	▲	21.2/33	A	*Roseanne*
3	▼	21.1/33	N	*Cheers*
4	▼	20.8/36	N	*Amer. Premium Videos*
5		18.5/33	N	*Cosby*
6	▼	18.1/30	N	*A Different World*
7	▼	18.0/37	C	*60 Minutes*
8	▲	17.5/31	N	*Unsolved Mysteries*
9	▼	17.1/28	C	*Sunday Movie: Untouchables*
10	▲	17.0/26	C	*Designing Women*
11	▲	16.0/27	A	*Wonder Years*
12	▼	16.7/28	N	*L.A. Law*
13	▲	16.6/31	N	*Golden Girls*
14	▼	16.2/26	N	*Wings*
15		15.8/26	C	*Murder, She Wrote*
16	▲	15.7/30	N	*Carol & Company*
17	▲	15.3/24	C	*Murphy Brown*
18	▲	15.3/24	A	*Brewster Place*
19	▼	15.1/24	F	*Simpsons*
20		15.0/24	A	*Anything But Love*
21	▼	14.9/23	N	*Heat of the Night*
22	▼	14.9/24	A	*Married...With Children*
23	▼	14.5/23	N	*Hunter*
24	▲	14.2/24	N	*Matlock*
25	▲	14.1/25	A	*Who's the Boss?*
26		13.9/27	A	*Full House*
27		13.9/22	N	*Night Court*
28	▼	13.7/23	C	*Knots Landing*
29	▲	13.1/22	A	*Sunday Movie: Bridges*
30		13.2/25	A	*Family Matters*
31	▼	13.2/24	A	*20/20*
32		13.1/22	C	*Dear John*
33	▲	13.1/21	C	*Jake and the Fatman*
34	▼	12.8/21	A	*Doogie Howser, M.D.*
35		12.7/22	A	*Growing Pains*
36	▲	12.7/22	A	*Head of the Class*
37		12.7/22	N	*Midnight Caller*
38	▲	12.7/21	C	*Newhart*
39		12.7/22	A	*Perfect Strangers*
40	▼	12.4/22	A	*Just the 10 of Us*
41		12.4/22	C	*Family Commercial*
42	▲	12.2/21	A	*Margaret*
43	▼	12.1/22	C	*Dallas*
44	▼	11.9/24	N	*Down Home*
45	▼	11.9/19	A	*Twin Peaks*
46	▲	11.7/21	C	*Major Dad*
47	▼	11.4/19	C	*Rescue: 911*
48		11.2/20	A	*Harrassment*
49	▲	11.0/20	A	*Equal Justice*
50	▲	10.7/19	N	*Shannon's Deal*
51	▲	10.6/19	C	*Bagdad Cafe*
52	▼	10.5/19	N	*Sunday Movie: Archie*
53		10.3/20	C	*Candid Camera Spec.*
54		10.3/19	N	*Quantum Leap*
55	▲	9.9/17	C	*48 Hours*
56	▲	9.7/16	C	*Movie: Child in the Night*
57	▼	9.6/17	C	*Easter Parade*
58	▼	9.4/16	A	*Marshall Chronicles*
59	▲	9.4/17	N	*It's Bob Back*
60	▼	9.3/16	N	*I'll Love*
61	▲	9.1/19	N	*A Family for Joe*
62	▼	9.0/17	A	*Hooters Movie: Stroker*
63	▲	8.9/16	C	*Sugar & Spice*
64	▲	8.9/15	N	*Working Girl*
65	▼	8.8/14	A	*Chase Beach*
66	▼	8.7/16	N	*Baseball*
67		8.7/15	A	*Franchise Live*
68	▼	8.5/15	F	*Open House*
69		8.5/15	N	*Baseball Spec.*
70	▼	8.5/13	C	*Fallon Crest*
71	▼	8.2/16	C	*Paradise*
72	▼	7.7/15	N	*Jonnies, FBI*
73		7.7/15	C	*Small Talk*
74	▼	7.5/15	F	*America's Most Wanted*
75	▲	7.5/12	C	*Totally Hidden Video*
76	▲	7.3/14	C	*In Living Color*
77		7.3/14	C	*Movie Spec.: Love Boat*
78	▼	6.7/13	F	*Cops*
79		6.6/11	C	*Sydney*
80		5.9/10	C	*Rooms Sold Out*
81	▼	5.7/12	A	*Life Goes On*
82		5.4/11	A	*Elvis*
83	▲	5.1/9	F	*Alien Nation*
84	▲	4.9/10	N	*227*
85	▼	4.9/10	N	*Dance: The Muppets*
86	▲	4.8/8	A	*Capital News*
87	▲	4.8/9	F	*21 Jump Street*
88	▼	4.4/8	F	*Booker*
89	▼	4.4/8	F	*Ghostwriter*
90	▼	3.9/7	N	*ALF*
91		3.4/6	F	*Super Kitties*

Ranks in numbers

Source: Nielsen Broadcasting's own research

FREEZE FRAMES: Syndication Scorecard

Week ended Apr. 29

Rank	Program (Syndicator)	Rtg	Stns	Covg
1		12.8	232	99
2		11.2	217	98
3		9.0	233	97
4		8.5	214	99
5		7.9	208	92
6		7.7	204	98
7		7.6	194	96
7		7.6	181	97
9		6.0	227	99
10		5.3	175	97
11		5.1	179	91
12		4.9	183	92
13		4.8	183	92
14		4.7	177	96
15		4.5	110	81

The following shows were rated, but not ranked

	6.5	173	93
	9.1	252	97

Nielsen weekly pocketpiece

Source: Nielsen and Broadcasting's own research

Summary of Broadcasting & Cable

BROADCASTING

SERVICE	ON AIR	CPs	TOTAL *
Commercial VHF TV	549	13	562
Commercial UHF TV	686	166	852
Educational VHF TV	124	4	128
Educational UHF TV	255	12	267
FM Stations	4,845	339	5,184
VHF LPTV	368	208	576
UHF LPTV	457	396	853
TV Translators	1,626	87	1,713
ITFS Stations	1,423	378	1,801
Low Power	19,848	1,387	21,235
Commercial VHF TV	549	13	562
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CABLE†

Total subscribers	51,230,000
Homes passed	73,600,000
Cable systems	8,600
Household penetration	57.6%
Pay cable penetration	37%

* Includes off-air licenses. † Penetration percentages are of TV household universe of 92.1 million. [1] Construction permit. [2] Instructional TV fixed service. [3] Studio-transmitter link. Source: Nielsen and Broadcasting's own research.

Lucy: The Very First Show, tied as the highest-ranked shows on a household basis, each with a 21.2 rating.

ABC's much publicized *Twin Peaks* has settled into a second-place position (in households and key women demographics) on Thursday at 9 p.m., after dropping dramatically in the ratings for several weeks.

ABC's new mid-season *Women of Brewster Place*, starring Oprah Winfrey, debuted with a solid second-place performance at 9:30 p.m., Tuesday (May 1), just four-tenths off NBC's pacesetter, *Heat of the Night*, which averaged a 15.7/25.

MarketScope

Stock prices generally were slightly higher last week, reflecting market's about-face, for time being, on interest rate outlook. Among those Fifth Estate sectors naturally benefitting were cable and equipment stocks. Effective yield quoted on bonds of Adams-Russell dropped almost three full percentage points, to 31%, while stock of General Instrument increased 7%, to 33⅜. Some entertainment stocks improved also, with options activity positive for companies including MCA, Time Warner and Disney, last despite some recent articles questioning company's ability to generate earnings growth. King World stock rebounded 13% from selloff of earlier weeks, to 36⅛. A.H. Belo was up 4%, perhaps reflecting favorable decisions by both FCC and Houston jury regarding company's competitive practices in Dallas. Publisher/group owner was also positively cited in last week's *Barron's*. MGM stock continued to inch away from $20-per-share tender offer, closing last Wednesday at 16⅞, down ⅛. Bidder, Pathé, said it had extended tender offer to June 7. Liberty Corp. was up slightly to 49¼, perhaps because of announcement by Gabelli Group that it held 5.6% stake in insurer and group owner. Announcement that Gabelli had increased its stake in Outlet Communications to 8.2% did not lift that stock, however, which instead reported last trade on Wednesday at 18, down 6%.

Stock Index Notes: T-Toronto, A-American, N-NYSE, O-NASDAQ. Bid prices and common A stock used unless otherwise noted. P/E ratios are based on earnings per share for the previous 12 months as published by Standard & Poor's or as obtained by Broadcasting's own research.

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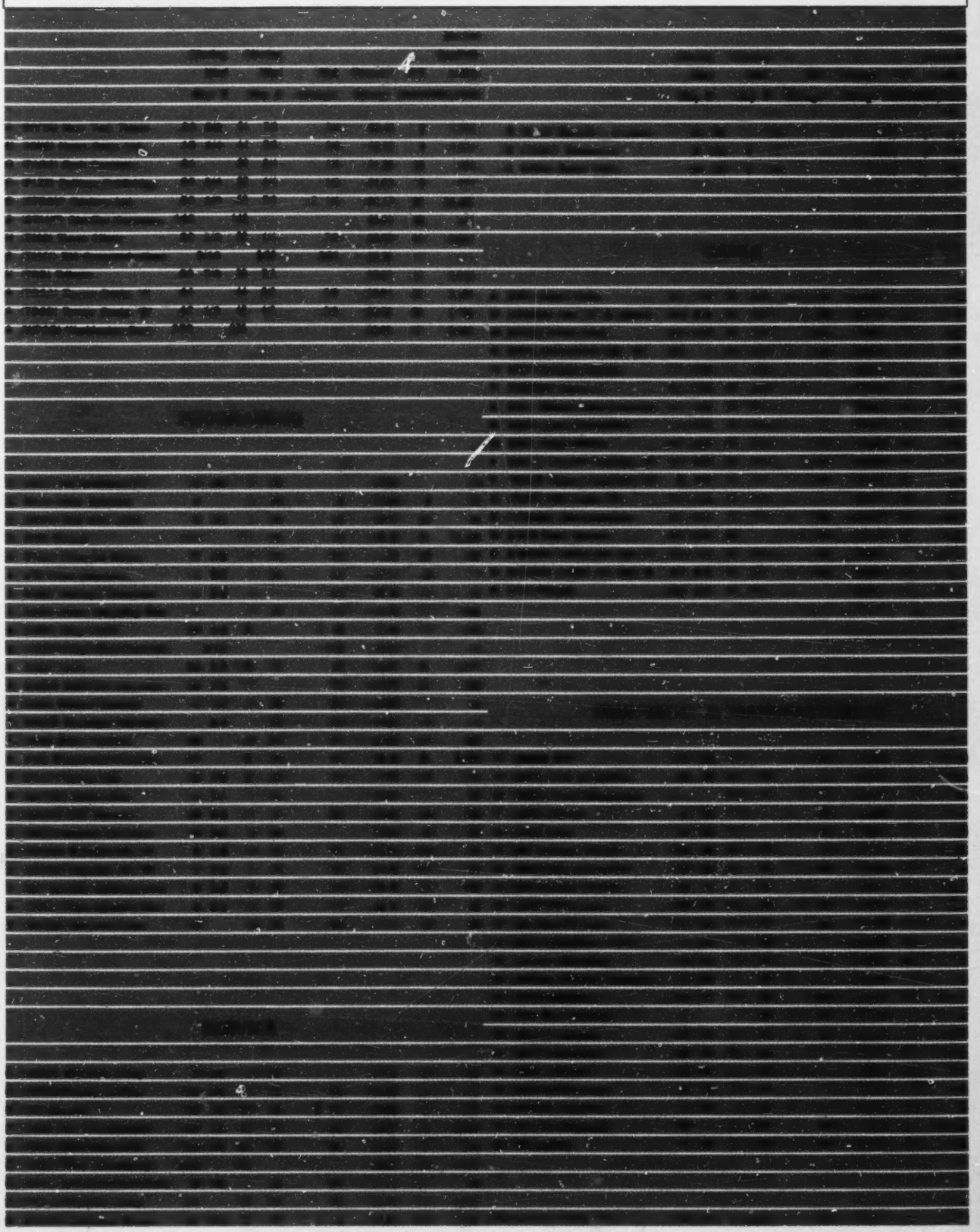
STOCK INDEX 2



■ **June 7**—"A Salute to Australian Television," annual membership meeting of *National Academy of Television Arts and Sciences, New York chapter*. Citibank auditorium, New York. Information: (212) 768-4510.

June 7-9—*National Association of Telecommunications Officers and Advisors* regional telecommunications conference. Driskill hotel, Austin, Tex. Information: (202) 626-3170.

June 7-10—*National Association of Radio Talk Show Hosts* second annual conference. Contemporary hotel, Disney World Resort, Orlando, Fla. Information: (617) 247-3627.

June 8—*Center for Communication* annual award luncheon, honoring Thomas Murphy, chairman, Capcities/ABC. Plaza hotel, New York. Information: (212) 836-3050.

June 8-9—*NBC-TV affiliate promotion directors* conference. Bally's, Las Vegas.

June 8-9—Seventh annual *BROADCASTING-Taishoff* seminar for mid-career radio and television professionals, sponsored by *Society of Professional Journalists*. Speakers: Ed Fouhy, formerly with CBS News; Deborah Norville, co-host, NBC's *Today*; David Gelber, producer, CBS's *60 Minutes*; Kim Montour, Fox TV; Paul Davis, WGN-TV Chicago; Bob Morse, WMAQ-TV Chicago, and Wayne Barnett, WTMJ-TV Milwaukee. NBC Tower, Chicago. Information: Deborah Colky, (312) 922-7424.

June 8-10—"Economics of the Illegal Drug Trade," economics conference for journalists sponsored by *Foundation for American Communications* and *Gannett Foundation*. Ramada Renaissance Techworld, Washington. Information: (213) 851-7372.

Errata

April 30 issue of BROADCASTING reported that **King World Productions'** half-hour magazine strip, ***Only Yesterday***, had been sold in 50 markets. Number should have been 60. John Palmer-hosted program is being offered on cash basis, in addition to undetermined barter advertising split.

□

Orbis Communications' new game show, ***Joker's Wild***, **is set to debut Sept. 10,** not Sept. 22 as reported in May 7 issue.

June 9-12—*American Advertising Federation* national advertising conference, including national ADDY awards presentation (June 10, Kiel Auditorium, St. Louis). Speakers include Jane Pauley, NBC News; Alexander Kroll, chairman-CEO, Young & Rubicam; Jamie Kellner, president-COO, Fox Broadcasting; Michael Roarty, executive VP, Anheuser Busch; Chris Whittle, Whittle Communications, and Ira Herbert, president, Coca-Cola. Marriott Pavilion, St. Louis. Information: (202) 898-0089.

June 9-15—*Notre Dame Executive Management Development Seminar* exclusively for radio station owners, general managers and sales managers. South Bend, Ind. Information: National Association of Broadcasters Radio Office, (202) 429-5420.

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Open Mike

AM activist

EDITOR: When I heard the FCC had proposed to reimpose nonduplication rules, I knew we would hear a lot of bellyaching from the AM-FM combos. Well, lo and behold, there it was on page 66 of the April 23 issue of BROADCASTING.

My partners and I own and operate two successful AM-only radio stations in Georgia, WMGA Moultrie and WGFS Covington. These stations are doing well because we are working hard, they've been around for a long time and we have a good signal and good local community interest programing, not found on FM. Through the years, we have witnessed some really great AM stations go down the tubes because it became so much easier to make it on the sister FM stations. In our mind, these stations went under because the management decided it wasn't worth the effort and cost. If I understand it correctly, we radio stations are licensed to serve in the public's interest and not the radio station's interest.

As far as we are concerned, speaking as AM-only operators, let these FM-duplicated AM's go dark. It will clear up the congested AM band and my stations may be able to get a power increase. Furthermore, a lot of these duplicated stations are occupying bandwidth we could use.

I sincerely hope the FCC commissioners will not listen to these AM-FM combo operators who say they want to improve AM but aren't willing to put their money where their mouths are. I mean, come on guys, you can't convince any sane broadcaster that you can turn an AM around by simulcasting your FM on it. If you aren't willing to make the sacrifice for your AM, turn the license in. There is probably some little AM sitting 50, even 100, miles from you, operating sunrise to sunset at the high end of the dial, making money, that would love to have your low frequency AM channel. I say, put up or shut up.— *Douglas M. (Art) Sutton Jr., WMGA(AM) Moultrie and WGFS(AM) Covington, Ga.*

Question of taste

EDITOR: The incongruities of network television continue to amaze me in spite of 30 years of involvement in television sales. In the past three months CBS has decided to reject a Kentucky Fried Chicken commercial because it demeaned the character of Ronald McDonald and accept a Reebok ad that implies someone's death.

Certainly Reebok and its agency should be severely reprimanded for ever producing such a reprehensible spot, but is CBS that desperate for business that it would run it (with all kinds of warnings) and then reject a spot that just might offend one of the network's biggest customers?

Maybe there's nothing incongruous about this at all.—*Roger Goldhamer, KOAT-TV Albuquerque, N.M.*

show on the Fox television network. Thurston would say only that the latter was not true. "Those are two separate discussions," he said. The program has been renewed by the Fox network for the 1990-91 season. Thurston also noted that the deal in New York did not rule out Fox-owned stations in other markets from winning the show in syndication.

So far, CPT has solicited bids in three markets: New York, Chicago and San Francisco. The program is of particular interest to Fox affiliates around the country. *Married* is credited by many for putting Fox on the map in prime time. The comedy, about the misadventures of shoe salesman Al Bundy and his off-beat family, anchors Fox's Sunday night lineup and has frequently ended up among the top 20 network programs this season.

In Chicago, where CPT has set a minimum price of $63,000 per week for the show, it is clear that Fox-owned WFLD(TV) has an interest in acquiring the show. And sources there also said WPWR-TV Gary, Ind., was in the running. No word at deadline on interest in the show by Tribune's WGN-TV.

Deals for the show in both Chicago and San Francisco are expected as early as this week. In San Francisco, the minimum price set by CPT is said to be between $65,000 and $70,000. Fox affiliate KTVU(TV) Oakland, Calif., is said to be interested in the show. However, sources said the station was balking at the asking price.

In a related development, CPT would neither confirm nor deny a *Los Angeles Times* report that *Married* co-executive producers Ron Leavitt and Michael Moye were mulling a contract renewal offer of $32 million over three years, including a percentage of the profits CPT generates for the show in syndication. The *Times* story said the deal, if accepted, would be the largest studio deal for a television comedy team in history. **-SM**

State of the Network Economy

The ABC, CBS and NBC television networks reported strong revenue gains for first-quarter 1990 over the first quarter of last year in what was largely an "apples to apples" comparison. Among the noteworthy results was the small increase that daytime managed to show, despite a ratings decline that forced the networks to provide makegoods. Overall, three-network net revenue increased 8.8%, to $1.9 billion. The numbers were provided by the Broadcast Cable Financial Management Association, based on unaudited network submissions to Arthur Young & Co.

Sports revenue was up 22%, to $373.5 million, apparently helped by strong price increases for CBS's NBA telecasts. The network also had two additional NCAA semifinal games that took place in the first quarter. Early morning sales showed a 14% increase, which one network executive attributed to advertisers "finding" shows before 7 a.m.; a strong percentage increase was also reported for children's programing. News revenue increased 8.5%; however, much, if not all, of the increase was due to the addition of *Prime Time Live* on ABC and *Saturday Night with Connie Chung* on CBS.

Prime time was up 6.4% to just over $1 billion. The only daypart showing a decrease was late night. Ratings for the now-canceled *Pat Sajak Show* were down from the first quarter of 1989, and the show had also been cut back half an hour last October.

First quarter television network revenue: 1990 vs. 1989

(Add 000)

	Prime Time	Late Night	A.M.	Daytime	Children	Sports	News	Total
Revenue from client-related programing								
First quarter '89	$9,433	$0	$0	$600	$0	53,652	$0	$13,685
First quarter '90	6,702	0	0	0	0	618	0	7,320
% change	-28.95	NA	NA	-100	NA	-83.08	NA	-46.12
All other gross revenue from time sales								
First quarter '89	1,100,363	93,307	54,049	237,675	23,681	76,252	185,719	2,051,028*
First quarter '90	1,173,584	88,692	61,496	247,126	27,974	438,651	201,460	2,239,982*
% change	6.65	-4.95	13.78	3.98	18.23	23.13	8.48	9.18
Total gross revenue from time sales								
First quarter '89	1,109,796	93,307	54,049	238,175	23,681	369,904	185,719	2,064,611
First quarter '90	1,180,286	88,692	61,496	247,126	27,974	439,269	201,460	2,248,302
% change	6.35	-4.95	13.78	3.76	18.23	22.05	8.48	8.90
Less clearance/agency commissions								
First quarter '89	166,469	13,996	8,107	35,663	3,949	53,652	27,858	309,694
First quarter '90	177,043	13,304	9,224	37,069	4,196	65,811	30,220	336,867
% change	6.35	-4.94	13.78	3.95	18.23	22.66	8.47	8.91
Total net revenue from time sales								
First quarter '89	943,327	79,311	45,942	202,513	20,112	306,283	157,860	1,755,317
First quarter '90	1,003,243	75,388	52,271	210,057	23,778	373,458	171,240	1,909,435**
% change	6.35	-4.95	13.78	3.73	18.23	21.94	8.48	8.78

*Does not include color insertion revenue.
**Includes no political parties/candidates revenue for 1990 first quarter.

No global warming of media stocks

Japan and France friendlier; financial leverage knows no borders

Media stocks worldwide have recently shared some opportunities and problems while being linked to the fortunes of their native stock markets. In English-lanuguage countries, such as the UK, Canada and Australia, most media stocks—broadcasting or cable—share the same disrepute among investors as their U.S. counterparts. Meanwhile, the prices of media stocks in Japan and France have, in general, soared over the past year. But language has nothing to do with the outcome; rather, there is a common theme running through the English-language countries of economic slowdowns and the effect of high debt matched by high interest rates and reduced credit.

In Canada for instance, cable MSO's Groupe Videotron and Rogers have been off in the past six months by almost as much—excluding the market's effect—as MSO stocks in the U.S. (see chart, right). The comparison suggests the interesting possibility that most of the recent fall-off in U.S.-based MSO stocks is due to financial considerations, not to potential reregulation or the near-term competition from direct broadcast satellites. Both Rogers and Groupe Videotron have little exposure to either of the latter two problems.

Concerns about "leverage" and exposure to high interest rates has also been at the root of the decimation of Australian media stock prices. All three TV networks were sold in recent years and subsequently their new parent companies—Northern Star, Bond Media and Qintex—have all suffered from debt. Shares of the last are said to be not trading. New Zealand's TV3 has also run into credit problems while the leverage of News Corp. is one of the concerns affecting that stock.

England provides the interesting example of a case where deregulation has some negative financial consequences. In the UK, one reason for the Independent Television (ITV) stocks being down, relative to the market, is their impending loss of government franchises in 1992, said Karen Firestone, manager of Fidelity's select leisure fund. But Firestone said the outcome is uncertain because the experience of those same companies may give them an edge in bidding for new licenses. That edge also may make the ITV companies acquisition targets.

One ITV company that has already benefited from takeover speculation is Thames, said Jessica Reif, a securities analyst with First Boston. That speculation is spurred by the fact that Thames's two largest shareholders, BET Plc. and Thorn EMI Plc., have each announced their intention to sell their 28% stakes—which they had to keep until 1989.

Reif

McDonald

Outperforming the *Financial Times* index for a different reason is TV AM. Reif said the company has a new "bottom-line oriented" management. She also said that when the UK replaces profits as the determinant of taxes paid by broadcasters—it will complete the change to a revenue-based system by 1993—TV AM's higher profit margins will actually improve the company's tax situation in contrast to other ITV companies.

Management is also behind the stellar performance of Havas, up 84% over the past year. Rich McDonald, of McDonald, Grippo & Riely, cited the company's diversification: "It also has no debt, is growing

	Stock price on May 1 '90	*Percent change from Nov. 1 '89*	*Percent change from May 1 '89*
Australia (Australian $):			
Bond Media	0.11	-54	-67
News Corp.	9.74	-23	-22
Northern Star	0.9	-78	-93
Australia all ordinaries index	1,463	-11	-2
Canada (U.S. $):			
Chum Ltd.	17.166	-23	11
Rogers B	6.759	-43	-38
Groupe Videotron *	10.5	-43	-39
Toronto composite index	3,340	-15	-7
England (pence):			
Anglia	222	-5	-18
Carlton	487	-37	-42
Central Television	683	4	-10
Select TV	11.5	-8	-34
Thames (international)	524	11	17
TV AM	185	1	-11
TV South Entertainment	106	-46	-68
Yorkshire	234	-5	-21
FT 30-share index	1,678	-3	-3
France (francs):			
Canal Plus	885	23	23
Expand	630	65	87
General des Eaux	2,570	28	54
Havas	1,622	36	84
TF 1	339	11	-17
Paris CAC general index	547	6	17
Hong Kong (Hong Kong $):			
Tele Broadcast	7.85	4	-31
Japan (yen):			
Asahi Broadcasting	32,000	7	109
Chubu Nippon Broadcasting	3,200	-3	123
Nippon Television	29,300	-1	44
RKB Mainichi Broadcasting	2,040	-4	79
Tokyo Broadcasting	2,640	-12	7
Nikkei Average Index	30,174	-18	-13
New Zealand (New Zealand $):			
TV3	0.63	-60 **	NM
Sweden (Kroner):			
Esselte B	204	2	-6
U.S. (U.S. $):			
Capital Cities/ABC	559.5	4	34
Tele-Communications Inc.	12.875	-30	-63
Viacom	45.5	-23	-9
S&P 500	334.5	-2	9

**Canadian dollars. **Stock of TV3 began trading on Feb. 12 of this year.*
Most foreign stock prices courtesy of Morgan Stanley & Co. Certain prices may be for day near May 1 due to exchange closings abroad.

fast and has management as good as Capital Cities/ABC."

Another French stock that has performed even better, Expand, is benefiting from programing quotas, which "are most strictly enforced in France," said Reif.

Japanese broadcasting stocks have recently benefited from a variety of factors, only some of which relate to broadcasting. Kenji Kitatani, senior vice president and general counsel of Tokyo Broadcasting Systems International, said that companies such as Asahi Broadcasting, Chubu Nippon Broadcasting and RKB Mainichi Broadcasting have real estate holdings that have appreciated in value.

Chubu Nippon and RKB Mainichi also benefit from their ties to local newspaper groups. RKB Mainichi, said Kitatani, is the oldest radio-TV combination on the southern island: "It is very well established ...like a KDKA-AM-TV in Pittsburgh."

The advertising market in Japan has been very strong, benefiting Tokyo Broadcasting's own stock, but looming deregulation of the satellite-to-home program services threatens the outlook for the country's existing TV networks. **–GF**

NABET says no to NBC

The National Association of Broadcast Employes & Technicians (NABET) rejected NBC's final offer for a new master agreement, 1,601-354. NBC and NABET have tentatively agreed to meet this Wednesday, May 16, in New York at the Federal Mediation Conciliation Services Offices. NABET had said as early as two months ago that it would reject NBC's offer (BROADCASTING, April 2). NABET spokesperson John Krieger said that the "result clearly and emphatically speaks for itself. It indicates the great displeasure of the membership.... NABET members recognized the job-threatening and devastating impact of many of the proposals contained in the package and were not swayed the least bit by the company's letter-writing campaign aimed at circumventing and undermining the negotiating committee's recommendation for rejection."

NBC said it is "disappointed" that NABET chose not to ratify the contract. NBC reiterated that this is its final offer, saying that "nothing has changed, nor will it." Sticking points between NBC and NABET include job security and an NBC proposal that would allow non-NABET members to perform work now done by NABET members. Another disagreement may arise about which benefits plan the union accepts. NABET is currently under the old RCA plan and, according to Krieger, there are some problems with the General Electric plan with regard to health and retirement options.

In 1987, NABET called a 17-week strike from June 29 to Oct. 24. That strike began almost three months after the contract had expired and focused on temporary hires, technical jurisdictions and contract length, which the union wanted set at three years rather than NBC's proposed two years.

Looking back at that strike, NBC said: "When we reached this juncture three years ago, NABET leaders chose not to believe us when we told them our final offer was indeed our final offer. The result was an unfortunate 17-week strike which ultimately resulted in virtually no changes from our original final offer."

NABET's 16 bargaining units are in New York, Chicago, Cleveland, Denver, Los Angeles, Miami and Washington. No strike vote has been taken yet. □

Bottom Line

Katz completion. Senior management of New York-based Katz Communications has completed buyout of company's Employee Stock Ownership Plan ("In Brief," Feb. 12). Employe 401K plan has been established, to be administered by Marine Midland Bank.

□

HUT questions. A.C. Nielsen held meeting last week with approximately 300 customers, including buyers, sellers, and network executives, to address changes that have occurred in television viewing since January (BROADCASTING, April 30). According to Nielsen spokesperson, discussion focused specifically on evident declines in network prime time and daytime viewing between 1989 and 1990. For example, there was 1% decline in prime time HUT level between January 1989 and January 1990; 2.1% in February and in March, and 2.0% in April. For daytime, HUT level decline was 1.4% between January 1989 and 1990; 8.1% in February, and 7.1% in March, while HUT was up 2% in April. Nielsen said hardware and software changes of past year were not responsible for fluctuations in numbers, and that investigation of reasons for decline will remain "top priority."

□

Freedom trust. Voting trust has been set up consisting of two-thirds of stock in group owner and publisher Freedom Newspapers. Shares in trust, which does not include one-third stake held by "dissident" family member, Harry Hoiles, will not be sold to outsiders for five years and will be voted by voting committee.

□

Act III said it had been retained by Backe Communications to manage WDKY(TV), Fox affiliate serving Lexington, Ky.

Munro leaves TW. J. Richard Munro, co-chairman and co-CEO of Time Warner, made official what had been announced earlier at last week's TW shareholder meeting in New York. He is stepping down from his current positions and TW President Nicholas J. Nicholas Jr. is stepping in. Also noteworthy at TW's first shareholder gathering was the stockholders' rejection of the "poison pill" proposal, which would have secured their rights to vote on hostile takeovers. Management had opposed the proposal.

Reps stress localism, predict changes for TV

The only way for a television station to stand out as "unique" is for it to have a local identity in its market, according to John Von Soosten, vice president, director of programing, Katz Television Group.

Speaking at a New York Television Academy luncheon, along with Jack Fentress, vice president, director of programming, Petry National Television, Von Soosten stressed the importance of "localism," or local programing on local stations. Citing numbers from the February ratings books, Von Soosten said that for the top 100 markets, the station that was number one in local news was also number one from sign-on to sign-off 83% of the time.

Both reps also discussed the "astronomical" cost of shows currently entering the syndication marketplace, specifically citing the asking prices for *Married...With Children* (see "Top of the Week"). Fentress also expressed his belief that 50% of the stations airing *The Cosby Show* "are running it in the red."

The two offered some predictions for the future: Fentress said that he expects to see HDTV on cable television and he also predicted that within the next decade there will exist a network not seen over the air, and that within the next few years a "major" affiliate will "flip to Fox."

Von Soosten expects to see greater equalization of independent and affiliate stations. Fox affiliates will get stronger, he said, while weaker affiliates will find other alternatives. The business is getting tougher, he said, and "without sounding self-serving," he expects reps to play even stronger roles in the future. □